

## Message Text

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PAGE 01 BUJUMB 00168 110746Z

21

ACTION AF-06

INFO OCT-01 EUR-12 ISO-00 FEA-01 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-02

LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15

STR-01 TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01

/095 W

----- 118839

R 110741Z MAR 75

FM AMEMBASSY BUJUMBURA

TO SECSTATE WASHDC 4734

INFO USMISSION EC BRUSSELS

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E.O. 11652: N/A

TAGS: ETRD, EAID, EEC, ACP

EC/ACP CONVENTION OF LOME

REF USEC 1519 (STATE 41879)

EC REPRESENTATIVE IN BURUNDI (STAHN) HAS BEEN QUITE ACTIVE  
IN PUBLICIZING LOME CONVENTION AND STRESSING ITS ADVANTAGES  
TO PARTICULARLY POOR LDCS SUCH AS BURUNDI. FONMIN BIMAZUBUTE  
HAS ALSO INDICATED HIS SATISFACTION WITH NEW ACCORD. UNDER IT, FED  
WILL NOT ONLY CONTINUE TO BE LARGEST SINGLE ANNUAL AID  
DONOR HERE, BUT MAY EVEN BECOME LARGER THAN ALL OTHER DONORS  
PUT TOGETHER.

STAHN HAS GIVEN CONSIDERABLE ATTENTION TO NEW PROVISIONS  
WHICH SEEM TO BE APPROXIMATELY EQUIVALENT TO OUR SELF HELP  
PROJECTS. HE STATES THAT EC MISSION CHIEF HAS FINAL APPROVAL  
AUTHORITY ON ANY SINGLE PROJECT VALUED UP TO DOLS 90,000. THIS  
SOUNDS SO ATTRACTIVE THAT AID MAY FIND IT NECESSARY AT SOME POINT TO  
INCREASE UPPER LIMITS OF US-SPONSORED PROJECTS AND TO  
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PAGE 02 BUJUMB 00168 110746Z

GRANT MISSIONS GREATER ADMINISTRATIVE FLEXIBILITY.

ON STABEX SCHEME, EC REP HERE NOTES THAT VERY POOR LDC  
SUCH AS BURUNDI WILL GET PROTECTION AGAINST DROP IN PRICES OF  
COFFEE (80 PERCENT OF EXPORT EARNINGS) EVEN THOUGH US HAS TRADITIONALLY

BEEN THE LARGEST BUYER OF LOCAL COFFEE. IN OTHER WORDS, IT WILL NOT  
RPT NOT ONLY BE SALES TO EC COUNTRIES THAT PROVIDE OASIS FOR  
STABILIZATION CALCULATIONS. ON OTHER HAND, HE HAS ALSO  
EXPLAINED THAT SCHEME DOES NOT RPT NOT PROTECT TERMS OF TRADE.  
THUS, IF NOMINAL PRICE OF EXPORTS DOES NOT DECLINE, STABEX  
WILL NOT PROVIDE COMPENSATION EVEN IF EXPORT PRICE FAILS TO  
KEEP PACE WITH GENERAL INFLATION RATES IN COUNTRIES FROM WHICH  
BURUNDI MUST IMPORT.

FINALLY, STAHL HAS STRESSED GREATER BURUNDI PARTICIPATION  
IN FUTURE ASSISTANCE PROJECTS. IN FACT, HE GOES SO FAR AS TO  
INDICATE THAT ANY PROJECT THAT IS SENSIBLE, WELL-DOCUMENTED,  
AND PROSPECTIVELY PROFITABLE WILL PROBABLY BE ASSURED OF FED  
FINANCING BECAUSE SCOPE OF FUNDS AVAILABLE WILL BE SO LARGE.

MARK

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NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LESS DEVELOPED COUNTRIES, NEGOTIATIONS, TRADE AGREEMENTS, PREFERENTIAL TARIFFS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BUJUMB00168  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750084-0724  
**From:** BUJUMBURA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750364/aaaacfbx.tel  
**Line Count:** 81  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION AF  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 USEC 1519, 75 (STATE 4187  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
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**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** ETRD, EAID, EEC  
**To:** STATE  
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